

Australia's aged care sector

Driving demand for financial advice



DEMOGRAPHIC CHANGES ARE DRIVING THE DEMAND FOR AGED CARE SERVICES

IN THE LAST 20 YEARS THE
85+ POPULATION HAS
 INCREASED
2.5x¹

59%

OF THOSE AGED 85+
 REPORT A NEED FOR
**HEALTH CARE
 ASSISTANCE**²

THE NEED FOR CARE OFTEN ARISES WITHOUT WARNING WITH FAMILIES FACING DIFFICULT FINANCIAL DECISIONS AT AN EMOTIONAL TIME

51% OF AGED CARE RESIDENTS
 OWN* THEIR
**PRIMARY
 RESIDENCE**³

87% OF AGED CARE
 RECIPIENTS
 RELY ON
**SOCIAL
 SECURITY**³

Assets

Income

* includes those that hold a mortgage

WITH THE COST OF AGED CARE OFTEN COMPLEX TO UNDERSTAND

WHAT COULD
 AGED CARE COST?



HOME CARE



BASIC FEE⁴
 \$17,681 p.a.
 (85% of Age Pension)

**MEANS TESTED
 CARE FEE**⁴
 \$0-\$26,041 p.a.

**AVERAGE
 ACCOMMODATION
 PAYMENTS**⁵
 \$333,000
 (but can exceed \$1million)

RESIDENTIAL CARE#

MANY PEOPLE ARE
**UNAWARE A
 FINANCIAL
 ADVISER
 CAN HELP AVOID
 COSTLY
 MISTAKES**

Extra-service fees may also be payable

1. Australian Bureau of Statistics – Australian Demographic Statistics June 2014
 2. Australian Institute of Health and Welfare – Australia's Welfare 2015
 3. Australian Institute of Health and Welfare – Residential Aged Care and Home Care 2013-14
 4. Department of Health – Schedule of Fees and Charges for Residential and Home Care from 20 September 2016
 5. Aged Care Financing Authority – Third Report on the Funding and Financing of the Aged Care Sector